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9 Attorneys for Defendants
McKINSEY & COMPANY, INC.
10 McKINSEY & COMPANY, INC. UNITED STATES
McKINSEY & COMPANY, INC. WASHINGTON D.C.
11 McKINSEY HOLDINGS, INC.

12 UNITED STATES DISTRICT COURT
13 NORTHERN DISTRICT OF CALIFORNIA

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15 IN RE: MCKINSEY & CO., INC.
16 NATIONAL PRESCRIPTION OPIATE
CONSULTANT LITIGATION

17
18 This Document Relates to:

19 Cases Listed in Appendix A
of the Accompanying Motion

20 Case No. 3:21-md-02996-CRB (SK)

21 **DECLARATION OF GRETCHEN
SCHEIDLER IN SUPPORT OF
McKINSEY DEFENDANTS'
MOTION TO DISMISS FOR LACK
OF PERSONAL JURISDICTION**

22 Date: March 31, 2022

23 Time: 10:00 a.m.

24 Courtroom: Courtroom 6, 17th Floor

25 Judge: Hon. Charles Breyer

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1 I, Gretchen Scheidler, hereby declare as follows:

2 1. I am the Director of Professional Development at McKinsey & Company, Inc.
 3 United States (“McKinsey US”). I am based in Chicago, Illinois. In my capacity as Director of
 4 Professional Development, I am authorized to make this declaration on behalf of Defendants
 5 McKinsey US, McKinsey & Company, Inc., McKinsey & Company, Inc. Washington D.C., and
 6 McKinsey Holdings, Inc. (collectively, “McKinsey”), in support of their motion to dismiss for
 7 lack of personal jurisdiction in Alaska, Arizona, Colorado, Hawai‘i, Indiana, Kentucky,
 8 Louisiana, Maryland, Mississippi, Montana, New Mexico, Oklahoma, Oregon, Tennessee, Utah,
 9 Virginia, Washington, West Virginia, and Wisconsin (the “Subject States”).

10 2. I have worked for McKinsey for over twelve years. I have been the Director of
 11 Professional Development for North America since July 2017. I hold a B.S. from the University
 12 of Dayton, a B.S.N. in nursing from The Johns Hopkins University, and an M.B.A from Duke
 13 University. Before joining McKinsey, I was a practicing nurse from 2005 until 2007. I joined
 14 McKinsey in 2009 as a consultant on healthcare related matters and served as an Associate and an
 15 Engagement Manager. In 2012, I became a Manager of Professional Development. I became a
 16 Senior Manager of Professional Development for the Midwest Office in November 2016 before
 17 transitioning into my current Director of Professional Development role.

18 3. As Director of Professional Development, I lead teams of managers who are
 19 responsible for staffing client engagements. In my role, I have developed an understanding of the
 20 needs of McKinsey’s clients and their specific engagements so that I can work with managers to
 21 match our consultants’ skillsets with our clients’ needs and, at the same time, balance client needs
 22 with our consultants’ priorities for their professional development. As part of my and my teams’
 23 work for McKinsey, therefore, I must understand the goals of engagements (based on partner
 24 conversations, Statements of Work defining the engagements, or other sources), I must
 25 understand where McKinsey’s clients expect McKinsey to perform their work for the
 26 engagements, and I must understand how McKinsey can best staff an engagement (including
 27 from which offices McKinsey will staff an engagement).

28 4. I know the facts set forth herein from my own personal knowledge, or from my

1 review of records maintained in the ordinary course of McKinsey's business. All of the facts set
 2 forth herein are true and correct to the best of my knowledge. I can and will testify competently to
 3 this information if called as a witness.

4 **McKinsey's Staffing, and Recording of Information Concerning, Engagements**

5. I am knowledgeable about how McKinsey staffs and manages client engagements,
 6 as well as data that McKinsey maintains in order to track the work its partners and employees
 7 perform on those engagements. I am also knowledgeable about records that McKinsey maintains
 8 concerning its client engagements.

9. McKinsey originates each engagement in a particular office. The engagement is
 10 then staffed with consultants who are based in various offices worldwide. Those consultants
 11 typically work on engagements either from their home office or at the client site.

12. In the ordinary course of its business, pursuant to company policies, McKinsey
 13 maintains records tracking its client engagements, including information concerning the scope of
 14 engagements and consultants who work on them, in a firm database.

15. Also in the ordinary course of its business, pursuant to company policies,
 16 McKinsey maintains records concerning offices in which engagements originated, locations at
 17 which the bulk of the work for the engagements was expected to take place, and US offices to
 18 which McKinsey employees were assigned during the time of certain engagements. These records
 19 are based on information that McKinsey maintains in a computer database. Records concerning
 20 offices in which engagements originated and where most of the work is expected to take place are
 21 entered into the database at or around the time the engagements begin. US employee office
 22 assignment records are entered into the database at or around the time an employee begins
 23 working for McKinsey and when the office to which an employee is assigned changes.

24. The computer database on which McKinsey maintains these records can be
 25 queried to provide Excel files reflecting data contained in the database.

26 **Purdue Engagements**

27. As Director of Professional Development, I am knowledgeable about engagements
 28 McKinsey undertook with Purdue since 2004, when McKinsey began working with Purdue,

1 through 2019, when McKinsey ceased working with Purdue, either through my own personal
 2 knowledge or through my review of SOWs and data from the firm's database for those
 3 engagements.

4 11. For purposes of McKinsey's motion to dismiss for lack of personal jurisdiction, I
 5 identified McKinsey's engagements with Purdue that reasonably could be deemed to relate to
 6 sales, marketing, manufacturing, or distribution of opioid products. To do so, I reviewed SOWs
 7 for, and data from the firm's database concerning, engagements between McKinsey and Purdue
 8 from 2004 to 2019.

9 12. I identified engagements (including preliminary engagements that did not become
 10 client engagements) that McKinsey undertook for Purdue between 2004 and 2019, some of which
 11 are not reasonably related to Purdue's sales, marketing, manufacturing, or distribution of opioids.
 12 The 68 client engagement codes for client engagements that reasonably could be deemed to relate
 13 to sales, marketing, manufacturing, or distribution of opioids are:

- 14 • PUP001 • PUP014 • PUP026 • PUP039 • PUP053 • PUP066
- 15 • PUP002 • PUP015 • PUP027 • PUP040 • PUP054 • PUP068
- 16 • PUP003 • PUP016 • PUP028 • PUP041 • PUP056 • PUP069
- 17 • PUP004 • PUP017 • PUP029 • PUP042 • PUP057 • PUP070
- 18 • PUP005 • PUP018 • PUP030 • PUP043 • PUP058 • PUP072
- 19 • PUP006 • PUP019 • PUP031 • PUP044 • PUP059 • PUP073
- 20 • PUP007 • PUP020 • PUP032 • PUP045 • PUP060 • PUP074
- 21 • PUP008 • PUP021 • PUP034 • PUP046 • PUP061 • 8353JC
- 22 • PUP009 • PUP022 • PUP035 • PUP047 • PUP062
- 23 • PUP010 • PUP023 • PUP036 • PUP050 • PUP063
- 24 • PUP011 • PUP024 • PUP037 • PUP051 • PUP064
- 25 • PUP012 • PUP025 • PUP038 • PUP052 • PUP065

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Endo Engagements

27 13. I am also knowledgeable about McKinsey's engagements with Endo International

1 plc and its affiliates (“Endo”). I am knowledgeable about engagements McKinsey undertook with
 2 Endo since 2006, when McKinsey began working with Endo, through 2018, when McKinsey
 3 ceased working with Endo, either through my own personal knowledge or through my review of
 4 SOWs and data from the firm’s database for those engagements.

5 14. In connection with McKinsey’s motion to dismiss for lack of personal jurisdiction,
 6 I identified McKinsey’s engagements with Endo that reasonably could be deemed to relate to
 7 sales, marketing, manufacturing, or distribution of opioids. To do so, I reviewed SOWs for, and
 8 data from the firm’s database concerning, engagements between McKinsey and Endo between
 9 2006 and 2018.

10 15. I identified engagements (including preliminary engagements that did not become
 11 client engagements) that McKinsey undertook for Endo between 2006 and 2017, the vast majority
 12 of which are not reasonably related to Endo’s opioids business. The 8 client engagement codes
 13 for client engagements that reasonably could be deemed to relate to sales, marketing,
 14 manufacturing, or distribution of opioids are: END001, END002, END003, END006, END007,
 15 END051, END052, and END062.

16 **Mallinckrodt Engagements**

17 16. I am also knowledgeable about McKinsey’s engagements with Mallinckrodt, Inc.
 18 and its affiliates (“Mallinckrodt”). I am knowledgeable about engagements McKinsey undertook
 19 with Mallinckrodt since McKinsey began working with Mallinckrodt in 2000, either through my
 20 own personal knowledge or through my review of SOWs and data from the firm’s database for
 21 those engagements.

22 17. In connection with McKinsey’s motion to dismiss for lack of personal jurisdiction,
 23 I identified McKinsey’s engagements with Mallinckrodt that reasonably could be deemed to
 24 relate to sales, marketing, manufacturing, or distribution of opioids. To do so, I reviewed SOWs
 25 for, and data from the firm’s database concerning, engagements between McKinsey and
 26 Mallinckrodt between 2000 and 2020.

27 18. I identified engagements (including preliminary engagements that did not become
 28 client engagements) that McKinsey undertook for Mallinckrodt between 2000 and 2020. SOWs

1 for, and data from the firm's database concerning, engagements between McKinsey and
 2 Mallinckrodt did not reveal any engagements that were clearly related to opioids. Based on
 3 allegations in Plaintiffs' complaints and my understanding of Mallinckrodt's business, I selected
 4 two engagement codes as examples of engagements for Mallinckrodt that Plaintiffs might argue
 5 are related to sales, marketing, manufacturing, or distribution of opioids. Those codes are:
 6 MWT010 and MWT015.

7 **Johnson & Johnson Engagements**

8 19. I am also knowledgeable about McKinsey's engagements with Johnson & Johnson
 9 and its affiliates ("J&J"). I am knowledgeable about engagements McKinsey undertook with J&J,
 10 either through my own personal knowledge or through my review of SOWs and data from the
 11 firm's database concerning for those engagements.

12 20. In connection with McKinsey's motion to dismiss for lack of personal jurisdiction,
 13 I identified McKinsey's engagements with J&J that reasonably could be deemed to relate to sales,
 14 marketing, manufacturing, or distribution of opioids. To do so, I reviewed certain SOWs for, and
 15 data from the firm's database concerning, engagements between McKinsey and J&J between
 16 2002 (when Plaintiffs allege McKinsey first advised J&J concerning any opioids-related matter)
 17 and 2021.

18 21. I identified engagements (including preliminary engagements that did not become
 19 client engagements) that McKinsey undertook for J&J between 2002 and 2021, all but three of
 20 which are not reasonably related to J&J's opioids business. The 3 client engagement codes for
 21 client engagements that reasonably could be deemed to relate to sales, marketing, manufacturing,
 22 or distribution of opioids are: J&J479, JNJ053, and JNJ197.

23 **Other Purported Engagements**

24 22. I understand that Plaintiffs' complaints in these proceedings refer to other current
 25 and former McKinsey clients that are manufacturers or distributors of opioids. These companies
 26 include McKesson Corporation, AmerisourceBergen Corporation, Depomed, Inc., and another
 27 company, the name of which was redacted in paragraph 403 of the publicly-filed *Master*
 28 *Complaint (NAS)*.

1 23. I identified engagements (including preliminary engagements that did not become
2 client engagements) that McKinsey has undertaken for these four companies since 2004. I then
3 reviewed certain SOWs and data from the firm's database relating to these engagements. Based
4 on my knowledge and experience in my various roles at McKinsey and my review of SOWs and
5 data from the firm's database, I can confirm that McKinsey had no engagements with these
6 clients that reasonably could be deemed to relate to sales, marketing, manufacturing, or
7 distribution of opioids.

8 **Summary of McKinsey's Relevant Engagements**

9 24. As detailed above, in all, I identified 81 engagements that could be described as
10 possibly relating to McKinsey's clients' sales, marketing, manufacturing, or distribution of opioid
11 products. Those engagements were originated in three different offices, and McKinsey records
12 reflect that the bulk of the work for these engagements was anticipated to be performed in six
13 states. No engagement originated in any of the Subject States, and McKinsey records reflect that
14 the work for all of the identified engagements was anticipated to be performed outside of the
15 Subject States.

16 25. I also reviewed records from McKinsey's database concerning the office
17 assignments of all McKinsey employees who performed work in connection with the
18 engagements I identified as possibly relating to McKinsey's clients' sales, marketing,
19 manufacturing, or distribution of opioid products between. In total, more than 400 McKinsey
20 consultants worked on the engagements I identified. Not one of those consultants, however, was
21 based in an office in a Subject State at any time during an opioid-related engagement.

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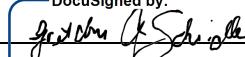
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2 I declare under penalty of perjury under the laws of the United States of America that the
3 foregoing is true and correct.
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5 Executed on December 23, 2021, in Chicago, IL.

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Gretchen Scheidler